THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRIMATI VASUNDHRA RAJE): (a) to (c) Pakistani forces have been constantly resorting to unprovoked firing along the international border and the Line of Control, including firing on civilian areas, in Jammu &Kashmir. This has continued in recent months. Indian security forces respond as is required by the situation. Our concerns regarding such unprovoked firing have been conveyed to Pakistan. Regrettably, the Pakistani side has continued to resort to it. Government are closely monitoring the situation and will take all action required to safeguard national security.

Trilateral Trade Agreement

4054. MISS SAROJ KHAPARDE: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that a trilateral agreement on transit trade has been signed between India-Iran-Turkmenistan to facilitate trade;

(b) if so, the salient features of the agreement; and

(c) how the country is going to be benefited therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRIMATI VASUNDHRA RAJE): (a) Yes, Sir, on 22nd February, 1997 in Tehran, India, Iran and Turkmenistan signed at the level of Foreign Ministers, a Trilateral Agreement on International Transit of Goods.

(b) The salient features of the Agreement are: facilitation, simplification and acceleration in customs procedure and other formalities for transit of goods; exemption of import and export duties or other taxes for goods in transit; future possibility of setting up a simplified visa regime for personnel engaged in the transit of cargo under the Agreement and a regular joint mechanism for supervising the implementation of the Agreement.

(c) It is expected that the Agreement would be beneficial for the country in meeting the needs for developing an efficient, reliable, dependable and cost-effective route for trade and other forms of economic interaction between India, Iran and Turkmenistan and other countries of Central Asia.

Effect of New Food Product Order

4055. SHRI GOVINDRAM MIRI: Will the PRIME MINISTER be pleased to state:

(a) whether a new Food Product Order has since been issued;

(b) if so, the details thereof and the extent to which the new Order will provide requisite leverage to the food processing industries for improving efficiency and productivity;

(c) the extent to which this Order will give boost to the domestic industry in developing processing in the country; and

(d) the reaction of food processing industries to this Order?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL): (a) to (d) The Fruit Products order promulgated under the Essential Commodities Act 1955 was originally Gazette notified on 3.5.1955. Based on the experience of implementing that order from inception to 1997, Government notified the Fruit products (Amendment) Order 1997. This notification (SC: 1530) was published in the Gazette of India on June 14, 1997. The amendments contained in that order has been made with a view to adequately meet the long felt needs of the processed fruit and vegetable industry. These amendments are expected to facilitated greater innovation in product formulations, promote food safety and consumer participation and safety encourage Good Manufacturing Practices (GMP) and reduce procedural delays. The reaction of the food processing industry to these amendments has been encouraging.

Export of processed food

4056. SHRI GOVINDRAM MIRI: Will the PRIME MINISTER be pleased to state:

(a) the details of processed food exported during each of the preceding three years; State-wise; and

(b) the details of measures contemplated for increase in export in the Ninth Plan period?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI

SOMPAL) : (a) Details of export of processed food in the preceding three years (1995/96 to 1997/98) are given in the Statement (*See* below). Statewise exports of processed food are not available.

(b) In the Ninth Plan period, in order to increase export of processed foods, Government is providing financial assistance for the setting up, expansion, and modernisation of food processing units for R&D in processed food sector and for market promotion, quality control, publicity and other promotional activities.

In addition, in accordance with the EXIM policy of Government in force, 100% Export Oriented Food Processing units, and such units located in our Export Processing Zones and Free Trade Zones, get complete customs duty exemptions on imported capital goods, intermediates, components and raw materials. The policy also provides for sale in domestic tariff area (DTA) of products manufactured in a 100% EOU, upto 50% of its production.

Furthermore, all profits from export sales are completely free from corporate taxes.

Statement

Details of Export of Processed Food during 1995-96, 1996-97 & 1997-98.

(Rs. in Crores)

Sl. No.	Product	1995-96	1996-97	1997-98
1.	Processed Fruits & Vegetables	491.59	473.78	745.00
2.	Animal Products	682.58	803.59	910.00
3.	Marine Products	3501.11	4121.36	4656.00
4.	Rice			
	(a) Basmati Rice	850.67	1247.63	1600.00
	(b) Non-Basmati Rice	3717.41	1924.72	1674.00
5.	Other Processed Foods:	1171.97	1835.92	1429.00
	(a) Groundnuts			
	(b) Guar Gum			
	(c) Confectionery			
	(d) Cocoa Products			
	(e) Cereal Preparations			
	(f) Alcoholic Beverages			
	(g) Misc. Preparations			
	(h) Milled Products			
	Total	10415.33	10407.00	11014.00

Action Plan for Processed Food Sector

4057. DR. ALLADI P. RAJKUMAR: Will the PRIME MINISTER be pleased to state the action plan for the development of the processed food sector?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL) : The Ministry operates its own Plan Schemes for the growth and development of the processed food industry. Under these schemes, financial assistance in the form of soft loan or grant-in-aid is made available to Industry, Non-Governmental Organisations, Cooperatives, Research and Development Institutions and Human Resource Development Centres. The thrust areas of the Plan assistance are:

(i) Establishment of post harvest infrastructure particularly cold chain facilities.